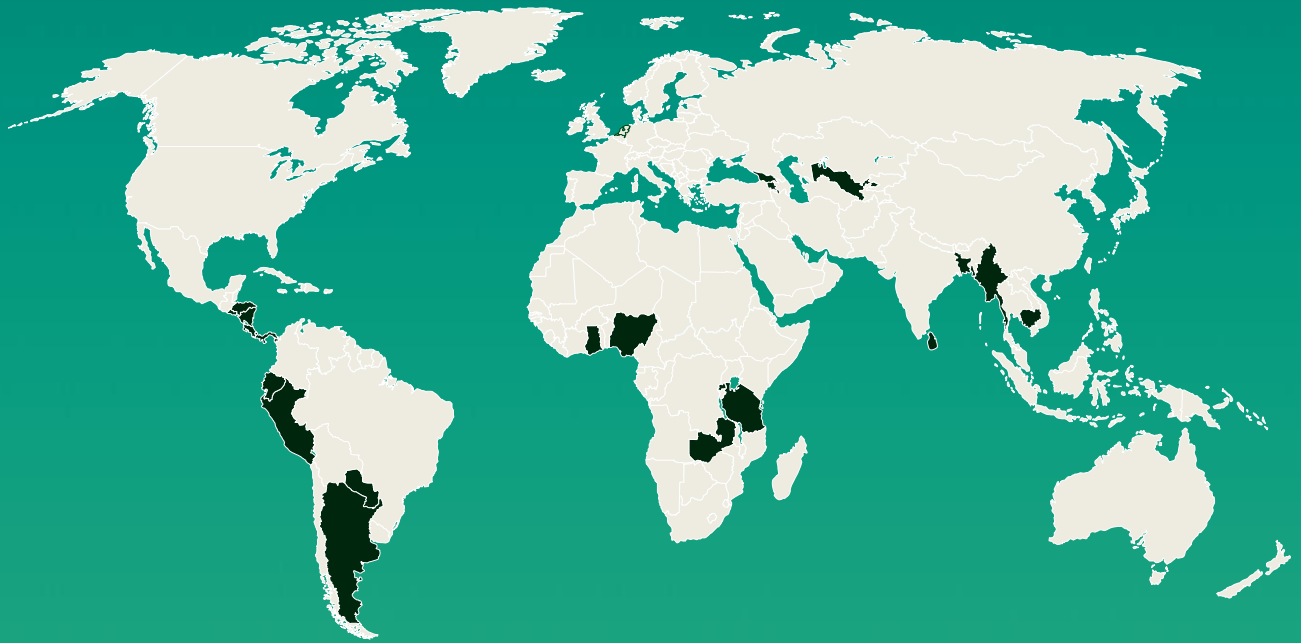


SEMI-ANNUAL REPORT

FMO Privium Impact Fund

Period ended 30 June 2018



The difference is the impact

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General information

Registered office

FMO Privium Impact Fund
Symphony Towers 26/F
Gustav Mahlerplein 3
1082 MS Amsterdam
The Netherlands
<http://www.priviumfund.com/>

AIFM

Privium Fund Management
Symphony Towers 26/F
Gustav Mahlerplein 3
1082 MS Amsterdam
The Netherlands

Legal Owner

Stichting Juridisch Eigendom FMO Privium
Impact Fund
Smallepad 30F
3811 MG Amersfoort
The Netherlands

Investment Advisor/Delegate

FMO Investment Management B.V.
Anna van Saksenlaan 71
2593 HW The Hague
The Netherlands

Administrator

Circle Investment Support Services B.V.
Smallepad 30F
3811 MG Amersfoort
The Netherlands

Legal and Tax Counsel

Jones Day
Concertgebouwplein 20
1071 LN Amsterdam
The Netherlands

Depository

KAS Trust & Depository Services B.V.
De Entrée 500
1101 EE Amsterdam
The Netherlands

Key figures

	30-06-2018	2017	2016 ¹
Class A (USD)			
Net Asset Value at reporting date	44,243,262	18,454,668	14,523,695
Number of outstanding units at reporting date	409,586.9676	174,893.3024	143,000.0000
Net Asset Value per unit at reporting date	108.02	105.52	101.24
Performance year to date	2.37%	3.89%	1.56%
Class B (EUR)			
Net Asset Value at reporting date in EUR	55,248,364	48,177,337	28,301,331
Net Asset Value at reporting date in USD	64,552,189	57,836,893	29,773,000
Number of outstanding units at reporting date	551,411.0000	481,389.0000	283,100.0000
Net Asset Value per unit at reporting date in EUR	100.19	100.08	99.77
Net Asset Value per unit at reporting date in USD	117.06	120.15	105.17
Dividend distribution per unit	1.010	2.0184	1.0078
Performance year to date	1.12%	2.13%	0.99%
Class F (EUR)			
Net Asset Value at reporting date in EUR	104,677	42,644	-
Net Asset Value at reporting date in USD	122,305	51,194	-
Number of outstanding units at reporting date	1,016.8241	418.9021	-
Net Asset Value per unit at reporting date in EUR	102.95	101.80	-
Net Asset Value per unit at reporting date in USD	120.29	122.21	-
Dividend distribution per unit	-	-	-
Performance year to date	1.13%	1.80%	-
Total for the Fund (USD)			
Net Asset Value at reporting date	108,917,755	76,342,756	44,296,695
Number of outstanding units at reporting date	962,014.7917	656,701.2045	426,100.0000

¹ The results cover the period from commencement of operations of the Fund at 20 June 2016 through 31 December 2016.

Semi-annual financial statements

Balance sheet

(all amounts in USD)

	Notes	<u>30-06-2018</u>	<u>31-12-2017</u>
Assets			
Investments			
Loans	1	98,067,565	68,160,411
Forwards		251,708	140,418
Total of investments		<u>98,319,273</u>	<u>68,300,829</u>
Receivables			
Other receivables	2	1,361,210	914,485
Total of receivables		<u>1,361,210</u>	<u>914,485</u>
Other assets			
Cash	3	65,923,210	57,890,810
Total of other assets		<u>65,923,210</u>	<u>57,890,810</u>
Total assets		<u>165,603,693</u>	<u>127,106,124</u>
Liabilities			
Net asset value	4	108,917,755	76,342,756
Investments			
Forwards	1	280,661	150,537
Total of investments		<u>280,661</u>	<u>150,537</u>
Other liabilities			
Bank overdrafts	3	56,292,647	50,496,049
Other liabilities	5	112,630	116,782
Total other liabilities		<u>56,405,277</u>	<u>50,612,830</u>
Total liabilities		<u>165,603,693</u>	<u>127,106,124</u>

Profit and loss statement

(For the period 1 January through 30 June)

(all amounts in USD)	Notes	2018	2017
Investment result			
Interest income		3,050,819	1,431,543
Total investment result		3,050,819	1,431,543
Revaluation of investments	6		
Realised results		(1,473,364)	-
Unrealised results		(18,834)	5,504
Total changes in value		(1,492,198)	5,504
Other results			
Foreign currency translation	7	(1,249,095)	2,877,959
Other		-	(61)
Total other results		(1,249,095)	2,877,898
Operating expenses			
Management fee	8	495,991	249,779
Organisational fee		22,043	22,043
Administration fees	9	27,645	21,689
Depositary fees	10	14,850	11,751
Interest expenses		67,816	60,080
Brokerage fees and other transaction costs		37,580	25,056
Audit fees	11	12,370	9,242
Legal fees		22,954	28,507
Supervision fees		882	993
Other expenses	12	7,027	4,052
Total operating expenses		709,157	433,192
Result for the period		(399,631)	3,881,753

Cash flow statement

(For the period 1 January through 30 June)

(all amounts in USD)

	Notes	<u>2018</u>	<u>2017</u>
Cash flow from operating activities			
Purchases of investments		(36,000,000)	(13,500,000)
Sales of investments		4,619,482	4,244,497
Interest received		2,585,279	1,317,646
Management fee paid		(474,296)	(240,850)
Interest paid		(67,816)	(60,080)
Operating expenses paid		(152,382)	(73,817)
Net cash flow from operating activities		<u>(29,489,733)</u>	<u>(8,312,604)</u>
Cash flow from financing activities			
Proceeds from subscriptions		36,213,970	12,915,577
Payments for redemptions		(2,588,026)	(543,504)
Dividend paid		(651,314)	(416,674)
Net cash flow from financing activities		<u>32,974,630</u>	<u>11,955,399</u>
Net cash flow for the period		<u>3,484,897</u>	<u>3,642,795</u>
Cash at the beginning of the period		7,394,761	3,292,757
Foreign currency translation of cash positions		(1,249,095)	2,877,959
Cash at the end of the period	3	<u>9,630,563</u>	<u>9,813,511</u>

Notes to the semi-annual financial statements

General information

FMO Privium Impact Fund (the Fund) was constituted on 26 February 2016 and commenced operations on 20 June 2016.

The Fund is a fund for joint account ('fonds voor gemene rekening') organised and established under the laws of The Netherlands. The Fund is under Dutch law not a legal entity (rechtspersoon) nor a partnership, commercial partnership or limited partnership (maatschap, vennootschap onder firma or commanditaire vennootschap), but a contractual arrangement sui generis between the AIFM, the Legal Owner and each of the Unitholders separately, governing the assets and liabilities acquired or assumed by the Legal Owner for the account and risk of the Unitholders.

The Fund has its principal offices at the offices of the AIFM at Symphony Towers 26/F, Gustav Mahlerplein 3, 1082 MS Amsterdam, The Netherlands. In view of its legal form of fund for joint account the Fund is not eligible for registration in the Dutch trade register (handelsregister).

The Fund is established by the adoption of its Terms and Conditions by agreement between the AIFM and the Legal Owner and the subsequent admission of the first Unitholder, being the Launch Date. The Fund is managed by the AIFM. The assets, rights and obligations of the Fund are held by the Legal Owner. The Unitholders invest in the Fund as participants (participanten) and acquire Units in the Fund.

The Fund Manager authorized these semi-annual financial statements for issue on 28 August, 2018.

Accounting policies

The semi-annual financial statements are prepared in accordance with Part 9, Book 2 of the Dutch Civil Code and the the Dutch Act on Financial Supervision ('Wet op het financieel toezicht') and covers the period from 1 January 2018 through 30 June 2018.

The accounting principles used to prepare this semi-annual report 2018 are the same as the accounting principles used for the annual report 2017.

The semi-annual report has not been audited by an independent auditor.

Notes to the balance sheet

1. Investments

The movement of the financial instruments is as follows:
(For the period 1 January through 30 June)

(all amounts in USD)	2018	2017
<i>Loans</i>		
Opening balance	68,160,411	39,360,043
Participations in FMO loans	36,000,000	14,500,000
Repayments from FMO loans	(6,092,846)	(4,244,497)
Closing balance	98,067,565	49,615,546

The fair value of the loans at 30 June 2018 is USD 97,649,045 (2017: USD 49,615,546).

(all amounts in USD)	2018	2017
<i>Forwards</i>		
Opening balance	(10,119)	(6,801)
Sales and expirations	1,473,364	-
Realised investment result	(1,473,364)	-
Unrealised investment result	(18,834)	5,504
Closing balance	(28,953)	(1,297)

2. Other receivables

(all amounts in USD)	30-06-2018	31-12-2017
Interest receivable	1,226,867	761,327
Deferred organisational fee	131,016	153,058
Other receivables and prepayments	3,327	100
Closing balance	1,361,210	914,485

3. Cash and cash equivalents

The cash balances at reporting date are as follows:

(all amounts in USD)	30-06-2018	31-12-2017
Euro bank accounts	64,410,485	57,709,400
US Dollar bank accounts	1,512,725	181,410
	65,923,210	57,890,810
Bank overdrafts		
US Dollar bank accounts	(56,292,647)	(50,496,049)
Total bank overdrafts	(56,292,647)	(50,496,049)
Net cash closing balance	9,630,563	7,394,761

At 30 June 2018 and 31 December 2017, cash and cash equivalents are partly restricted due to the required margin on the FX forwards of the Fund.

4. Net assets value

Movement schedule of net asset value

(For the period 1 January 2018 through 30 June 2018)

(all amounts in USD)	Class A	Class B	Class F	Total
Movement schedule of net asset value				
Opening balance	18,454,669	57,836,893	51,194	76,342,756
Proceeds from subscriptions	25,000,000	11,138,245	75,725	36,213,970
Payments for redemptions	-	(2,588,025)	-	(2,588,025)
Dividend paid	-	(651,314)	-	(651,314)
Result current period	788,593	(1,183,610)	(4,614)	(399,631)
Total net assets value at the end of the period	44,243,262	64,552,189	122,305	108,917,756

The units of Class B and Class F are issued in Euro. At 30 June 2018, the net asset values of Class B and Class F in their Class currency are EUR 55,248,364 (31 December 2017: EUR 48,177,337) and EUR 104,677 respectively (31 December 2017: EUR 42,644).

Movement schedule of units

(For the period 1 January 2018 through 30 June 2018)

(in number of units)	Class A	Class B	Class F	Total
Outstanding units				
Opening balance	174,893	481,389	419	656,701
Proceeds from units issued	234,694	91,305	598	326,597
Redemption of units	-	(21,283)	-	(21,283)
Outstanding units at the end of the period	409,587	551,411	1,017	962,015

Movement schedule of net asset value

(For the period 1 January 2017 through 30 June 2017)

(all amounts in USD)	Class A	Class B	Class F	Total
Movement schedule of net asset value				
Opening balance	14,523,695	29,773,000	-	44,296,695
Proceeds from subscriptions	-	9,578,445	37,132	9,615,577
Payments for redemptions	-	(543,504)	-	(543,504)
Dividend paid	-	(416,674)	-	(416,674)
Result current period	272,299	3,606,328	3,126	3,881,753
Total net assets value at the end of the period	14,795,994	41,997,595	40,258	56,833,847

Movement schedule of units

(For the period 1 January 2017 through 30 June 2017)

(in number of units)	Class A	Class B	Class F	Total
Outstanding units				
Opening balance	143,000	283,100	-	426,100
Proceeds from units issued	-	89,201	350	89,551
Redemption of units	-	(4,959)	-	(4,959)
Outstanding units at the end of the period	143,000	367,342	350	510,692

5. Other liabilities

(all amounts in USD)

	30-06-2018	31-12-2017
Management and performance fees payable	89,278	67,583
Audit fees payable	6,662	22,442
Administration fees payable	5,379	5,581
Depositary fees payable	10,518	17,575
Supervision fees payable	793	3,601
Closing balance	112,630	116,782

Notes to the profit and loss statement

6. Revaluation of investments

The realised and unrealised results on investments relate to the Forwards.

7. Foreign currency translation

The currency results consist of realised and unrealised results on foreign currency cash accounts. The total currency result on cash shows the currency translation on the Euro cash position of the Fund.

8. Management fee

The AIFM receives an annual management fee for managing the Fund equal to 0.90% of the Net Asset Value of Class A of the Fund prior to deducting provision for fees payable to the AIFM. This management fee will be paid in full by the AIFM to the Investment Advisor/Delegate.

The AIFM receives an annual management fee for managing the Fund equal to 0.98% of the Net Asset Value of Class B and Class F with a minimum of EUR 90,000. However, such minimum amount is limited to EUR 15,000 during the first period of the Fund only. Of the management fee, 0.08% is for the benefit of the AIFM and 0.90% will be paid in full by the AIFM to the Investment Advisor/Delegate.

The fee is calculated monthly on the basis of the gross of fee Net Asset Value of each Series as of the Valuation Day that coincides with the last Business Day of the month and is paid monthly in arrears in EUR. This fee currently does not attract VAT.

The management fee for the period ended 30 June 2018 amounts to USD 495,991 (2017: USD 249,779).

9. Administration fees

The administration agreement between the AIFM and the Administrator provides for payment to the Administrator of an annual administrative fee equal to 0.045% of the Net Asset Value of the Fund (based on a Fund size of up to USD 100 million), subject to a minimum fee of USD 32,000 per annum in respect of the administration of the Fund. The Administrator will, in addition, be paid USD 5,500 annually for the preparation of the Fund's annual and semi-annual financial statements, plus USD 2,000 per report for providing support in connection with the requirements of AIFMD Reporting.

(all amounts in USD)

	2018	2017
Administration fees	22,081	16,272
Reporting fees	3,418	3,328
FATCA fees	1,119	1,089
AIFMD fees	1,027	1,000
Total	27,645	21,689

10. Depositary fees

The Fund has appointed KAS Trust & Depositary Services B.V. as the depositary of the Fund. The depositary is entitled to an annual fee equal to EUR 17,500 of the Net Asset Value as of the last calendar day of each quarter.

11. Audit fees

The audit fees relate solely to the audit of the financial statements. The Independent Auditor does not provide any other audit or non-audit services to the Fund.

12. Other expenses

(For the period 1 January 2018 through 30 June 2018)
(all amounts in USD)

	2018	2017
Legal owner fees	3,327	3,327
Miscellaneous fees	3,700	725
Total	7,027	4,052

13. Income and withholding taxes

The Fund is organised as an investment Fund ("Fonds voor gemene rekening") under the current system of taxation in The Netherlands. The Fund is transparent for Dutch corporate income tax purposes. As a consequence, the Fund is not subject to Dutch corporate income tax. Certain dividend and interest income received by the Fund are subject to withholding tax imposed in the country of origin.

14. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party making financial or operational decisions.

All services rendered by the AIFM therefore qualify as related party transactions. The fees of the AIFM are disclosed in note 8.

The Privium Sustainable Alternatives Fund maintains an investment in Class A of FMO Privium Impact Fund. The value of the investment as per 30 June 2018 amounts to EUR 37,866,529 (31 December 2017: EUR 15,373,126).

15. Core business and outsourcing

The following key task has been delegated by the Fund:

Administration

The administration has been outsourced to Circle Investment Support Services B.V, who carries out the administration of the Fund, including the processing of all investment transactions, processing of revenues and expenses and the preparation of the NAV. It also states, under the responsibility of the AIFM, the interim report and the financial statements of the Fund. For information on the fees of the Administrator refer to note 9.

16. Events after balance sheet date

As of August 1, 2018 the Fund will offer two new Share Classes: 1: Class I-A and Class I-D. Details are included in the Fund's Prospectus.

Other Information

Personal holdings of the Board of Directors of the AIFM

The Board of Directors of the AIFM had no interests or positions at 30 June 2018 and 1 January 2018 in investments the Fund held in portfolio at these dates.